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National Intelligence Bulletin

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LEBANON

Leftist leader Kamal Jumblatt finally succumbed to Syrian and Palestinian pressure yesterday and agreed to a ten-day truce, which is scheduled to go into effect today. The Christians immediately accepted. The leftists demanded the ten-day duration to allow the Lebanese parliament time to amend the constitution, elect a new president, and thus make way for President Franjiah's resignation.

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The Lebanese parliament has for some time been prepared to follow through with the proposed constitutional amendment, and will probably complete that phase of preparations for Franjiah's departure quickly. There will be intense political haggling, however, over whether Franjiah will step down before or after his successor is elected and over the selection of candidates. Although the short deadline of the truce may help speed the debate, both the Christians and the leftists view Franjiah's successor as a key factor in future negotiations over a comprehensive settlement and either side might again resort to violence if it feels the other has gained too great an advantage.

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Before the truce was announced, Syria issued a long statement reviewing its efforts in Lebanon in a manner designed to justify past failures and to prepare Syrians for possible difficulties in the future. The statement indirectly singled out Jumblatt and the Egyptians as the chief causes of the prolonged fighting and

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implicitly threatened the two "culprits." More recent Syrian press releases have taken full credit for the cease-fire, but have said nothing about Syria's next step in Lebanon. Damascus is undoubtedly anticipating stiff resistance from both Arafat and Jumblatt to any renewed mediation exclusively under Syrian control.

In an attempt to win over Jumblatt, Sarkis recently met with the leftist leader and later announced publicly that he would support Jumblatt's reform program.

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Another leading candidate is Raymond Edde, son of Lebanon's first president and leader of the third largest Christian political party. Edde has a broad following in parliament and among Muslim conservatives and some leftist groups. He is considered an unpredictable maverick, however, by conservative Christians and the Syrians.

Jumblatt, who is a member of parliament, controls few votes among the 99 deputies, but if a stand-off develops between Sarkis and Edde, he might be able to deny both the required majority and, thus, force the chamber to select a weak, compromise candidate.

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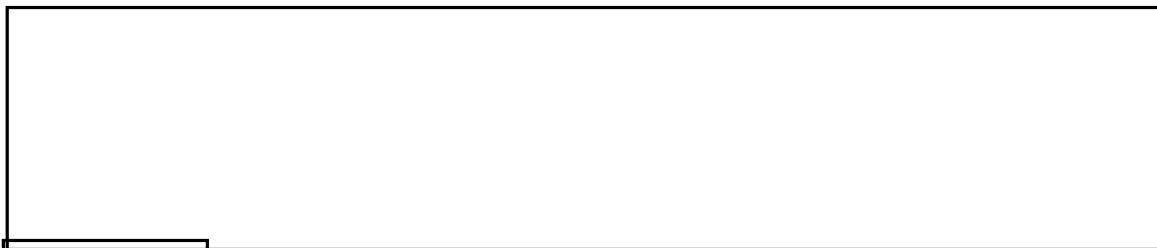
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USSR-LEBANON

In recent days, the Soviets have weighed in more heavily in support of a Lebanese cease-fire.

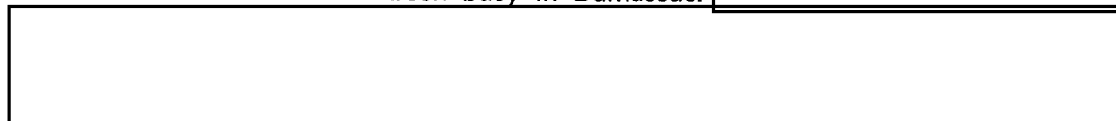
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Press reports out of Beirut say that Soviet diplomats have been urging Lebanese leftists to agree to Syrian proposals; the Lebanese Communists may be among those the Soviets are said to have been in touch with.

The Soviets have also been busy in Damascus.

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The Soviet media are still giving minimal attention to the Lebanese problem. They have replayed UN Secretary General Waldheim's call for a cease-fire and lauded Syrian efforts to bring about a peaceful settlement. There have been few or no alarms over the prospect of an Israeli or US intervention.

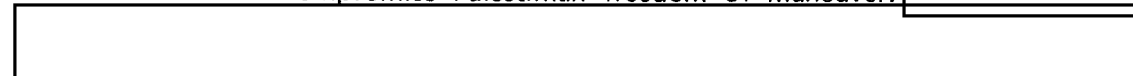
The Soviets are supporting the Syrian efforts because they recognize the Lebanese situation could touch off a larger Middle East conflict. Recent appeals by Damascus to the West to acquiesce in a Syrian intervention, as well as signs of deeper US involvement in the crisis, may have also stimulated the intensified Soviet activity.

In addition, Moscow does not want a setback to Syrian President Asad's prestige, particularly at a time when its problems with Sadat have intensified. It may also be concerned that a Syrian failure could lead to instability in Damascus, with uncertain consequences for the Soviet position there.

Despite its support for Syria's efforts in Lebanon, Moscow remains partial to the Muslim left in its struggle with the Christians. Some Soviet commentators have noted approvingly that the balance of power is now tipping toward the leftists.

The Soviets appear sympathetic to fedayeen concerns that Syrian ascendancy in Lebanon could compromise Palestinian freedom of maneuver.

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UK-RHODESIA

London's latest move for a resumption of Rhodesian negotiations faces formidable obstacles.

A senior British diplomat is now in southern Africa sounding out the interested parties on the UK's proposals. The package contains elements the British hope will be attractive to both sides in the dispute, including:

- A requirement for expeditious negotiations on the shape of a new Rhodesian government.
- A transition period leading to majority rule of no more than one or two years, which could include the presence of British monitors.
- Provisions protecting the financial position of civil servants who stay on after independence.
- Economic assistance for non-Africans should they decide later to leave Rhodesia or be forced out.

The British initiative will be discussed first with the four African presidents who have been directly concerned with the Rhodesian problem—Nyerere of Tanzania, Kaunda of Zambia, Machel of Mozambique, and Khama of Botswana. After these consultations, the British could then meet with various Rhodesian black nationalist leaders and with South African Prime Minister Vorster. If the British win support for their plans, they would then approach Rhodesian Prime Minister Smith.

The African presidents, who have been backing the Rhodesian nationalists, probably will at least privately go along with a new British initiative that might avert a Rhodesian liberation war that would have serious risks for the neighboring states. It would be very difficult, however, for the four presidents to mold the quarreling Rhodesian nationalists into a cohesive negotiating team for dealing with Smith, even if they decided to exert maximum pressure.

The British reportedly do not intend to approach Smith unless a representative team of Rhodesian nationalists agrees to negotiate on the basis of London's latest proposals. Joshua Nkomo, the relatively moderate Rhodesian nationalist who broke off negotiations with Smith last month, has reaffirmed a demand that majority rule be attained after only one year. Hence, the four presidents may insist that the proposed transition period be reduced to one year before they attempt to get the Rhodesian nationalists to accept the British negotiating package.

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Smith is almost certain to reject the British package. Vorster, however, could measurably increase the pressure on Smith by saying publicly that further South African support for the Salisbury regime is contingent on prompt resumption of negotiations. Although Vorster has privately issued such warnings to Smith before, the Rhodesian government apparently believes that Vorster would not withhold vital economic and military aid in an emergency because such a course would not be acceptable to white South Africans. However anxious Vorster may be to head off a liberation war in Rhodesia that might lead to Soviet or Cuban intervention, it is doubtful that he is prepared to coerce Smith openly toward an early surrender of white rule in Rhodesia.

London, for its part, is probably not very optimistic about the prospects for its initiative, but feels a legal and moral obligation to try to break the deadlock before time runs out on the chances for a peaceful settlement. The Labor government also wants to demonstrate that it is actively seeking a solution in order to deflect right-wing Conservative criticism that the government is abandoning "kith and kin" in Rhodesia to a losing struggle with an externally aided guerrilla movement.

There is no evidence that the British are contemplating military intervention either to prop up or force out the Smith regime, and there is little pressure for either course of action from the British public or Parliament. In the face of a sharply deteriorating security situation, however, most Britons would not object if their government agreed to evacuate refugees.

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SYRIA

Soviet personnel and dependents residing in Damascus may have been moved to safer locations during the past few days.

The US defense attache in Damascus reported:

- Patients on stretchers being loaded into ambulances at the Soviet dispensary.
- Apartments known to be occupied by the Soviets show little signs of habitation.
- Dependent children have not been seen playing or awaiting school buses.
- Wives have not been congregating for shopping transportation in the past several days.

There are some 3,000 Soviet military advisers and technicians in Syria. Soviet personnel and dependents in Damascus reside close to the Syrian defense and air force headquarters, in an area heavily damaged by the Israeli air force in the 1973 war.

In the context of the current situation in Lebanon, combined with the lessons learned in 1973, the personnel may have been moved to other locations in the Damascus area which are considered less dangerous. There is no evidence that they have in fact left Syria, but some could have departed on twice-weekly Aeroflot TU-154 flights from Damascus. [REDACTED]

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PORTUGAL

Conservative farmers in Portugal have given the government until Monday to return lands illegally occupied under agrarian reform statutes.

In a press conference on March 30, leaders of the Portuguese Confederation of Farmers vowed to take "all appropriate steps" if the lands are not returned, but did not specify what the measures might be. Several times during the past few months, members of the farmers' organization have threatened to cut off food supplies to Lisbon if the government did not satisfy their demands, but they have not followed through.

The farmers are angry because Agriculture Minister Lopes Cardoso has not carried out the promise he made two weeks ago that the government would return the illegally held lands. The farmers claim that more land has been taken over by leftists despite the government's assurances that further seizures would not be tolerated. They accuse Lopes Cardoso—a Socialist—of bowing to party politics in his approach to agrarian reform.

The situation poses a dilemma for the Socialists and could affect their prospects in the national elections later this month. If Lopes Cardoso fails to respond to the demands of the small and medium farmers, the Socialists will lose support in the area northeast of Lisbon where many of the illegal occupations have occurred and what little support they may have had among farmers farther north.

If the Agriculture Ministry resorts to using force in removing the squatters, the Socialists will leave themselves open to Communist charges that they plan to rescind all agrarian reform.

In what was probably an attempt to assuage the small and medium farmers, Lopes Cardoso announced the transfer of 40 technicians from agrarian reform centers for refusing to carry out the terms of the agreement with the farmers' confederation. All 40 are holdovers from the Communist-controlled administration under Goncalves.

Cardoso's action apparently had little effect on the conservative farmers, but it has drawn the ire of the pro-Communist labor confederation and southern rural workers' unions. The Communist-dominated groups met on Wednesday to consider further actions, which may include resisting government efforts to restore the lands to the former owners. [REDACTED]

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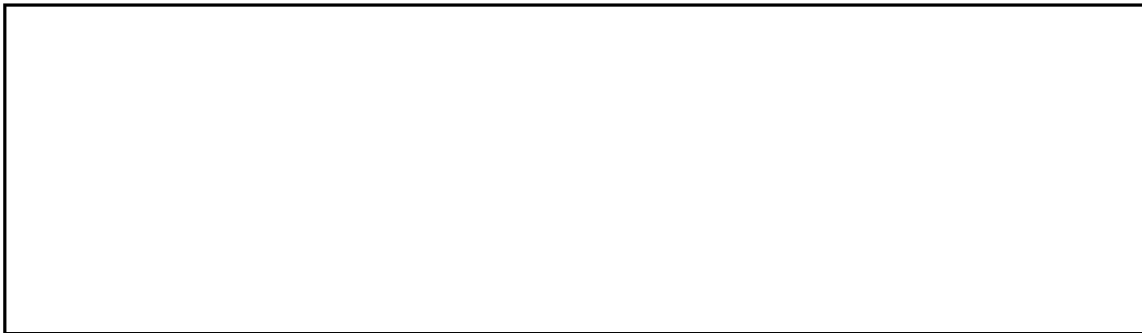
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USSR

The USSR is attempting to improve its maritime fleet operations with private US technical assistance.

Shipping officials in Moscow are interested in advice on efficient merchant marine fleet operation and management, particularly in the areas of scheduling; figuring profit, loss, and operating margins; and profitable utilization of specialized ships. Soviet officials have even asked a major US shipping firm to establish a training program for Soviet merchant fleet executives, with particular emphasis on the efficient use of container barges and lighters that can be loaded aboard ships.

A Soviet periodical has commented that Soviet maritime transportation underwent numerous changes during the most recent Five Year Plan (1971-1975): highly economical ships, including those carrying containerized and roll on/roll off cargo, have been put into operation; port capacities have been increased by means of specialized loading and unloading complexes; and two new deep-water ports are under construction. The overall volume of work at ship repair plants during the period reportedly has increased by about 140 percent, while mechanization has approached 90 percent.

Soviet officials are apparently now trying to correct what US shippers have long recognized as a weakness of the Soviet maritime fleet, its bureaucratic and rigid operation without regard to overall profitability.

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PANAMA

Panama is moving to reap political benefits from the strike last month by US canal company employees in the zone that closed the waterway to all but the smallest ships.

At Panama's request, the UN has circulated as an official document a Panamanian statement criticizing US employee action in carrying out the strike and citing it as a good example of the colonialist "zonian" disposition toward treaty negotiations. Calling the strikers "saboteurs," the statement stressed that no Panamanian had ever carried out a sabotage attempt against the waterway.

Appended to the document is an official communique from Chief of Government Torrijos declaring the US employees solely responsible for the virtual closing of the canal, stressing the "high sense of responsibility" of the Panamanian workers, and implying that such an incident would not happen were the canal under Panamanian control. In a thinly veiled reference to the US, the General remarked that "great power is not a good counselor in matters of labor conflict."

During the week-long strike, the government took great pains not to exacerbate the situation and to divest itself of any blame for the strike. Panamanian workers were instructed not to join in the protest. Torrijos, aware that the basic reason for the strike was "zonian" concern over job security, assured the US workers their interests would be protected in any new treaty. Panama also was concerned over the potential economic consequences of a canal closure for the local economy.

Since the strike, government spokesmen have moved quickly to make political capital from the incident and use it to strengthen Panama's canal negotiating position vis-a-vis the US. The local press has highlighted the fact that Panamanian workers refused to join the action. Also emphasized have been remarks by OAS Ambassador Nander Pitti criticizing the job situation in the zone that enables US employees to close the canal to the detriment of world commerce.

Torrijos, aware of the benefits to be derived from the strike, will continue to use it to strengthen Panama's treaty position. Nonetheless, he will be careful not to push too hard and endanger relations with Washington or prospects for the negotiations. [REDACTED]

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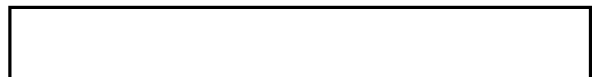
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